



The State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

| | | |
|---------|---------------|-----------------------------|
| Company | Mark Reynolds | Resident Agent |
| OGM | Pete Hess | Environmental Scientist III |

Inspection Report

| | |
|------------------|-----------------------------|
| Permit Number: | C0150025 |
| Inspection Type: | COMPLETE |
| Inspection Date: | Friday, March 04, 2005 |
| Start Date/Time: | 3/4/2005 8:42:00 AM |
| End Date/Time: | 3/4/2005 1:00:00 PM |
| Last Inspection: | Thursday, February 03, 2005 |

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, 30's F at start of inspection.

InspectionID Report Number: 552

Accepted by: whedberg
3/29/2005

Permittee: **CO-OP MINING CO**

Operator: **CO-OP MINING CO**

Site: **BEAR CANYON MINE**

Address: **PO BOX 1245, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

| | |
|----------|------------------------|
| 3,336.18 | Total Permitted |
| 36.64 | Total Disturbed |
| | Phase I |
| | Phase II |
| | Phase III |

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The permittee has and continues to meet the Special Permit Condition included in Attachment "A" of the current State permit, which is the requirement to submit all surface and ground water monitoring information in an electronic form to the Division web site. Two other Special Permit Conditions exist; however, these are no longer relevant due to the sealing of the west side Mines, and the initiation of mining in the Federal leases in the Wild Horse Ridge area.

There are no compliance actions currently pending for the Bear Canyon permit area.

Mr. Ken Defa, Mine Superintendent accompanied the Division during part of today's inspection.

Inspector's Signature

Date Tuesday, March 08, 2005

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Inspection Continuation Sheet

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | Evaluated | Not Applicable | Comment | Enforcement |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 1. Permits, Change, Transfer, Renewal, Sale | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Signs and Markers | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Topsoil | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.e Hydrologic Balance: Effluent Limitations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Explosives | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Disposal of Excess Spoil, Fills, Benches | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Coal Mine Waste, Refuse Piles, Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Noncoal Waste | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Protection of Fish, Wildlife and Related Environmental Issues | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Slides and Other Damage | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Contemporaneous Reclamation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Backfilling And Grading | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Revegetation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Subsidence Control | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Cessation of Operations | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.a Roads: Construction, Maintenance, Surfacing | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Other Transportation Facilities | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Support Facilities, Utility Installations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. AVS Check | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Air Quality Permit | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21. Bonding and Insurance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. Other | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

1. Permits, Change, Transfer, Renewal, Sale

The current State permit issued by the DOGM remains in effect until November 2, 2005. Mr. Reynolds is aware that a renewal application should become a priority.

2. Signs and Markers

Several of the "Stream buffer zone" signs located along the Bear Creek drainage need to be rehung. The signs are there, but have fallen to ground level. Mr. Reynolds agreed to perform the necessary maintenance.

4.a Hydrologic Balance: Diversions

Most of the diversion ditches located in the right fork of Bear Creek paralleling the #3 and #4 Mine access roads remain under frozen compacted snow. The permittee has cleared many of the culvert inlets such that as thawing occurs, the runoff will be properly coursed. The cut bank which parallels the road ditch accessing the #1 Mine contained a lot of rock debris along its entire length. It was not possible to get to the Hiawatha intake portal due to debris in the ditch and on the road surface. As temperatures rise and fall above and below freezing, this problem will continue.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee conducted the fourth quarter of 2004 impoundment inspections for ponds A, B, C, and D as well as catch basins #1, 2, and 3 on December 20, 2004. This quarterly inspection was also the annual inspection for pond "C". There were no indications of instability or other hazards relative to any of the impoundments. None of the inspection reports had been signed by a qualified representative of the permittee. This was pointed out to Mr. Reynolds. These reports are to become part of the 2004 annual report sent to the Division.

4.c Hydrologic Balance: Other Sediment Control Measures

Other sediment control measures generally remain under frozen compacted snow. The permittee should re-evaluate the #3 Mine belt portal relative to sediment control. A six-inch plastic yellow pipe was observed exiting the Mine, paralleling the conveyor. Mr. Reynolds was not aware of this line. When the line was examined by going underground, it was determined that the inlet of the pipe is immediately in by the ventilation stopping at the mouth of the portal. The discharge end of this pipe was buried under two feet of snow, giving evidence that this pipe had not flowed for quite some time. Also, there is a silt fence in this area (crest of the escarpment) which is under two feet of snow. The inlet of the six-inch pipe appears to carry collected belt line water / wash down water to a point where it is discharged off of the permit area. Snow depths made it difficult to determine if a violation situation existed. Mr. Reynolds and Mr. Defa indicated that they are aware that water can not be discharged from the disturbed area without being treated. Mr. Reynolds was instructed to determine if the portal area is permitted as an alternate sediment control area, and if it is not, to do so. This area will be monitored. The permittee submitted a permit amendment application in 2004 to permit one snow storage area for the entire #3/4 Mine access road. That application did not meet the requirements for alternate sediment control areas and was withdrawn. This winter has shown the permittee that there is a need to permit at least three snow storage areas in the right fork of Bear Creek. Two new potential storage sites were looked at. The banks would need to be cut back to provide a flat area for storage and treatment measures.

4.d Hydrologic Balance: Water Monitoring

Third quarter water monitoring information was briefly reviewed during today's inspection. There was a large difference noted in specific conductivity for the Field results versus laboratory results for samples BC-1 and BC-2 for the July and August water samples. The need to regularly calibrate the specific conductivity meter was discussed with Mr. Reynolds, along with the rule to maintain monitoring equipment (R645-301-731.225).

16.a Roads: Construction, Maintenance, Surfacing

Snow melt runoff from the accumulations burying the access road ditches is making the travel routes soft, and rutted in some areas. This is related to the need to permit snow storage areas along the right fork access roads.